



**Western Cape
Government**

Provincial Treasury

LGMTEC 3/ NT Circulars/ Annual Report

11 MARCH 2013

LG MTEC 3



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LG MTEC 3: SCHEDULING

- ❑ PT has institutionalised the LGMTEC 3 process in fulfilment of the obligations under section 22 and 23 of the MFMA to assess the draft annual budgets of municipalities.

- ❑ The LG MTEC 3 process and IDP assessment process have been combined.

- ❑ The schedule 2013 LG MTEC 3 engagements will be held on the 23 April till 6th May 2013.
 - ❖ [Copy of Draft 2013 LG MTEC 3 Visitation Schedule 22 February 2013 11.xlsx](#)

- ❑ Municipal managers within municipalities must make the necessary provisions in their diaries.

- ❑ Attendance of MM, s56 Managers, IDP &/ or strategic managers crucial

LG MTEC 3: Tabling dates, collection of docs

- ❑ Municipalities have confirmed their tabling dates

- ❑ The confirmation is important as PT officials will attend the tabling proceedings and collect the hard and soft copy documents which are required by PT immediately after tabling of the annual budget

- ❑ A checklist for the collection of the tabled budget was sent to your municipalities
 - ❖ [Mun Cir 2 Appendix A B C.pdf](#)

- ❑ Municipal manager/Chief Financial officer is requested to sign off on the list for the collection of tabled budget documentation

- ❑ The sign off by the duly authorised municipal official should incorporate the confirmation that the soft copy correlates with the tabled hard copy

LG MTEC 3: Tabling dates, collection of docs cont

The municipal manager have to ensure that the following documents are submitted:

- ❑ The Budget Documentation as set out in Schedule A of the Municipal Budget and reporting Regulations, including the main tables (A1-A10) and the supporting tables (SA1-SA37)
- ❑ Council Resolution in terms of the Budget (in the case of approved budgets)
- ❑ Items listed in section 17 (3) of the MFMA incl budget related policies
- ❑ ***Draft Service Delivery and Budget Implementation Plan (SDBIP) – the Provincial Treasury has repeatedly requested municipalities to submit draft SDBIP with the tabling of the annual budgets in order to aid the “worthwhileness” assessment of the budget :***
 - ❖ ***Regulation 14***
- ❑ Signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations, and
- ❑ Signed Budget Locking Certificate as found on the National Treasury's website.

LG MTEC 3/ IDP Analysis: Structure of Assessment

- ❑ Section 1: Executive Summary
- ❑ Section 2: Purpose of LG MTEC 3 (IDP and Budget) Assessment
- ❑ Section 3: Previous unresolved LG MTEC/IDP Assessment Findings
- ❑ Section 4: Legislative Compliance/Conformance Review
- ❑ Section 5: Spatial Development Analysis
- ❑ Section 6: IDP Assessment
- ❑ Section 7: Responsiveness
- ❑ Section 8: Credibility and sustainability
- ❑ Section 9: Summary of Key issues and Recommendations
- ❑ Section 10: Conclusion

LG MTEC 3/ IDP Analysis: Engagements

- ❑ The assessment reports will be send to your municipality 5 days before the engagement
- ❑ Municipalities are expected to read the report and be prepared for the engagements
- ❑ PT, Dept of LG and municipal officials are expected to make presentations during the engagements
- ❑ Municipality are expected to respond to the issues that will be raised during the engagements
- ❑ Municipalities are expected to table assessment report with provincial govt recommendations and responses in council
- ❑ Approved budgets to be submitted within 10 days to NT and PT after approval

NT CIRCULARS 66 UPDATES



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NT Circulars 66

❑ Nation Budget was tabled on 27 February

❑ Updated circular will be issued by NT on MFMA Circular 66 on 15 March

❑ National allocations available from DoR Bill

http://www.treasury.gov.za/legislation/bills/2013/bills2013_bill02-2013.pdf

❑ Headline inflation marginally higher

❖ 5.6%, 5.5%, 5.4% over 2013 MTEF

❑ NERSA approved 8 per cent average increase over 5 years for ESKOM!!!!

❑ Social Grants Value

❖ Old age grant = R1260, Old age grants over 75 years = R1280

❑ Provincial budget was tabled on 7 March – provincial allocations made available

ANNUAL REPORTS



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ANNUAL REPORTS

- ❑ Improved compliance with regard to submission of APR

- ❑ Improved tabling of Annual Report – 28 out of 30 tabled

- ❑ Challenge for 2012/13 – implementation of circular 63

- ❑ Issues relate to
 - ❑ Procedural/ legislative
 - ❑ Technical nature

- ❑ Further engagements with NT planned at municipal managerial level and practitioners

Thank you